



Great Doctors Are
Just The Beginning

80 SEYMOUR STREET
P.O. BOX 5037
HARTFORD, CT 06102-5037
860/545-5000

25 January 2005

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CONNECTICUT OFFICE OF
HEALTH CARE ACCESS

The Honorable Cristine Vogel
Commissioner
Office of Health Care Access
410 Capitol Avenue
MS #13HCA
P.O. Box 340308
Hartford, CT 06134-0308

Re: Letter of Intent.

Dear Commissioner Vogel:

We have enclosed a completed Letter of Intent for a forthcoming Certificate-of-Need application for our proposal to transfer ownership of an existing Hartford Hospital MRI service to a hospital/physician group joint venture and to acquire a new fixed-site MRI. We look forward to submitting our project application to you; and we request from your office the necessary application forms.

Please feel free to contact us if you have any questions about this matter. Thank you.

Sincerely,

J. Bryan Simmons
Vice President for Planning
and Facilities Development

William J. Glucksman, M.D.
President
Jefferson X-Ray Group, P.C.

JBS/km



State of Connecticut Office of Health Care Access Letter of Intent/Waiver Form Form 2030

All Applicants must complete a Letter of Intent (LOI) form prior to submitting a Certificate of Need application, pursuant to Sections 19a-638 and 19a-639 of the Connecticut General Statutes and Section 19a-643-79 of OHCA's Regulations. Please submit this form to the Commissioner of the Office of Health Care Access, 410 Capitol Avenue, MS# 13HCA, P.O. Box 340308, Hartford, Connecticut 06134-0308.

SECTION I. APPLICANT INFORMATION

If there are more than two Applicants, please attach a separate sheet of paper and provide additional information in the format below.

	Applicant One	Applicant Two
Full legal name	Hartford Hospital	Jefferson X-Ray Group, P.C.
Doing Business As		
Name of Parent Corporation	Hartford Health Care Corporation	
Mailing Address, if Post Office Box, include a street mailing address for Certified Mail	80 Seymour Street P.O. Box 5037 Hartford, CT 06102-5037	50 Founders Plaza, Suite 207 East Hartford, CT 06108
Applicant type (e.g., profit/non-profit)	Non-profit	Profit
Contact person, including title or position	J. Bryan Simmons, Vice President for Planning and Facilities Development	William Glucksman, M.D. President
Contact person's street mailing address	80 Seymour Street Hartford, CT 06102-5037	50 Founders Plaza, Suite 207 East Hartford, CT 06108
Contact person's phone #, fax # and e-mail address	860 / 545-2232 phone 860 / 545-3600 fax bsimmon@harthosp.org	860 / 291-6550 phone 860 / 291-6590 fax wglucksman@jeffxray.com

SECTION II. GENERAL APPLICATION INFORMATION

- a. Proposal/Project Title:
MRI Joint Venture Between Hartford Hospital and Jefferson X-Ray Group, and
Conversion from Mobile to Fixed Magnet in Wethersfield
- b. Type of Proposal, please check all that apply:
- ☒ Change in Facility (F), Service (S) or Function (Fnc) pursuant to Section 19a-638,
C.G.S.:
- | | | |
|---|--|--|
| <input type="checkbox"/> New (F, S, Fnc) | <input type="checkbox"/> Replacement | <input type="checkbox"/> Additional (F, S, Fnc) |
| <input checked="" type="checkbox"/> Expansion (F, S, Fnc) | <input type="checkbox"/> Relocation | <input type="checkbox"/> Service Termination |
| <input type="checkbox"/> Bed Addition | <input type="checkbox"/> Bed Reduction | <input type="checkbox"/> Change in Ownership/Control |
- ☒ Capital Expenditure/Cost, pursuant to Section 19a-639, C.G.S.:
- ☒ Project expenditure/cost cost greater than \$ 1,000,000
- ☒ Equipment Acquisition greater than \$ 400,000
- | | | |
|---|---|--|
| <input type="checkbox"/> New | <input checked="" type="checkbox"/> Replacement | <input type="checkbox"/> Major Medical |
| <input checked="" type="checkbox"/> Imaging | <input type="checkbox"/> Linear Accelerator | |
- ☒ Change in ownership or control, pursuant to Section 19a-639 C.G.S., resulting in a
capital expenditure over \$1,000,000
- c. Location of proposal (Town including street address):
1260 Silas Deane Highway, Wethersfield, CT 06109
- d. List all the municipalities this project is intended to serve:
Response: This project will not change the municipalities that are served by the MRI
services at the Wethersfield satellite location. While patients could arrive from
anywhere in Connecticut, the top fifteen municipalities, in descending order of
anticipated volumes based on historical data, are:
Wethersfield, Rocky Hill, Newington, Hartford, Cromwell, Middletown, East Hartford,
Glastonbury, Manchester, Berlin, New Britain, Windsor, South Windsor, Portland and
Meriden.
- e. Estimated starting date for the project: 30 April 2005
- f. Type of project: **19 (Fill in the appropriate number(s) from page 7 of this form)**

Number of Beds (to be completed if changes are proposed)

Type	Existing Staffed	Existing Licensed	Proposed Increase (Decrease)	Proposed Total Licensed

SECTION III. ESTIMATED CAPITAL EXPENDITURE INFORMATION

- a. Estimated Total Capital Expenditure: \$ 2,531,940
- b. Please provide the following breakdown as appropriate:

Construction/Renovations	\$ 400,000
Medical Equipment (Purchase)	
Imaging Equipment (Purchase)	
Non-Medical Equipment (Purchase) (furniture, computers)	\$ 20,000
Sales Tax	\$ 119,544
Delivery & Installation	
Total Capital Expenditure	\$ 539,544
Fair Market Value of Leased Equipment	\$1,992,396
Total Capital Cost	\$2,531,940

Major Medical and/or Imaging equipment acquisition:

Equipment Type	Name	Model	Number of Units	Cost per unit
1.5 Tesla MRI unit	TBD	TBD	1	\$1,992,396

Note: Provide a copy of the contract with the vendor for major medical/imaging equipment.
Response: Because the vendor and model have not yet been selected, we do not have a contract at this time. We would gladly furnish it as part of a CON application.

c. Type of financing or funding source (more than one can be checked):

- ☒ Applicant's Equity
 ☒ Lease Financing
 ☐ Conventional Loan
☐ Charitable Contributions
 ☐ CHEFA Financing
 ☐ Grant Funding
☐ Funded Depreciation
 ☐ Other (specify): _____

SECTION IV. PROJECT DESCRIPTION

Please attach a separate 8.5" X 11" sheet(s) of paper and provide no more than a 2 page description of the proposed project, highlighting all the important aspects of the proposed project. Please be sure to address the following (if applicable):

1. Currently what types of services are being provided? If applicable, provide a copy of each Department of Public Health license held by the Petitioner.
2. What types of services are being proposed and what DPH licensure categories will be sought, if applicable?
3. Who is the current population served and who is the target population to be served?
4. Identify any unmet need and how this project will fulfill that need.
5. Are there any similar existing service providers in the proposed geographic area?
6. What is the effect of this project on the health care delivery system in the State of Connecticut?
7. Who will be responsible for providing the service?
8. Who are the payers of this service?

If requesting a Waiver of a Certificate of Need, please complete Section V.

SECTION V. WAIVER OF CON FOR REPLACEMENT EQUIPMENT

I may be eligible for a waiver from the Certificate of Need process because of the following:
(Please check all that apply)

- ☐ This request is for Replacement Equipment.
 - ☐ The original equipment was authorized by the Commission/OHCA in Docket Number: _____.
 - ☐ The cost of the equipment is not to exceed \$2,000,000.
 - ☐ The cost of the replacement equipment does not exceed the original cost increased by 10% per year.

Please complete the attached affidavit for Section V only.

AFFIDAVIT

Applicant: _____

Project Title: _____

I, _____,
(Name) (Position – CEO or CFO)

of _____ being duly sworn, depose and state that the
information provided in this CON Letter of Intent/Waiver Form (2030) is true and accurate to
the best of my knowledge, and that _____ complies with the appropriate and
(Facility Name)
applicable criteria as set forth in the Sections 19a-630, 19a-637, 19a-638, 19a-639, 19a-486
and/or 4-181 of the Connecticut General Statutes.

Signature

Date

Subscribed and sworn to before me on _____

Notary Public/Commissioner of Superior Court

My commission expires: _____

Project Type Listing

Please indicate the number or numbers of types of projects that apply to your request on the line provided on the Letter of Intent Form (Section II, page 2).

Inpatient

1. Cardiac Services
2. Hospice
3. Maternity
4. Med/ Surg.
5. Pediatrics
6. Rehabilitation Services
7. Transplantation Programs
8. Trauma Centers
9. Behavioral Health (Psychiatric and Substance Abuse Services)
10. Other Inpatient

Outpatient

11. Ambulatory Surgery Center
12. Birthing Centers
13. Oncology Services
14. Outpatient Rehabilitation Services
15. Paramedics Services
16. Primary Care Clinics
17. Urgent Care Units
18. Behavioral Health (Psychiatric and Substance Abuse Services)
19. MRI
20. CT Scanner
21. PET Scanner
22. Other Imaging Services
23. Lithotripsy
24. Mobile Services
25. Other Outpatient
26. Central Services Facility

Non-Clinical

27. Facility Development
28. Non-Medical Equipment
29. Land and Building Acquisitions
30. Organizational Structure (Mergers, Acquisitions, Affiliations, and Changes in Ownership)
31. Renovations
32. Other Non-Clinical

Project Description:

This proposed project involves: 1) a change in ownership of a Wethersfield-based Magnetic Resonance Imaging (MRI) service, from Hartford Hospital to a joint venture (LLC) by the Hospital and Jefferson X-Ray Group (JXR); 2) the acquisition of a new, fixed MRI unit and the renovations to the building to accommodate the equipment; and 3) the expansion of the availability of MRI services in Wethersfield from two days per week to six days per week.

The location of both the existing and proposed services is the Hartford Hospital Satellite Facility at 1260 Silas Deane Highway in Wethersfield. At present, Hartford Hospital provides MRI services at that facility two days per week, by way of a mobile unit authorized in 1999 under Certificate of Need Docket Number 99-513. The new project would replace the mobile unit with a new, fixed magnet located inside the building, which would undergo some renovation to accommodate the installation. It should be noted that a renovation project at the Hospital's main campus, in which the second of its two MRI units is undergoing deinstallation and replacement, has necessitated the expansion of the Wethersfield MRI schedule to five days per week between November 2004 and February 2005, for coverage. This temporary expansion has been considered by the Hospital and JXR to be a successful trial of the proposed service.

This project offers numerous benefits to patients, including: the enhanced convenience and comfort, especially during harsh weather, of being able to remain inside the building rather than walking to the mobile unit; the flexibility to schedule tests on any day of the week; and the ability to obtain MRI imaging services not available in many of the outpatient MRI centers in the Greater Hartford area, and to do so in their own communities.

While this would be the first joint venture between the two entities, JXR and Hartford Hospital have worked together closely for many years, both at the Hospital's main campus and at its satellites. JXR has provided imaging services at Hartford Hospital for over 40 years. At the Wethersfield facility, JXR has provided the professional interpretation of MRI studies since the service was first established. This project would seek to continue that same arrangement, offering the same high quality of services and care, six days per week rather than two.

With regard to the numbered questions above, we offer the following responses.

- 1) Currently what types of services are being provided? If applicable, provide a copy of each Department of Public Health license held by the Petitioner.
Response: Mobile MRI services are being provided, two days per week. This proposal will not affect the Hartford Hospital license issued by the Department of Public Health.
- 2) What types of services are being proposed and what DPH licensure categories will be sought, if applicable?
Response: We propose to replace the mobile MRI unit with a fixed unit, available six days per week. Because this does not represent an additional service, there are no DPH license changes being sought in connection with the project.
- 3) Who is the current population served and who is the target population to be served?

Response: The current population, which is also the target population, consists primarily of patients from those towns to the south of Hartford. Specifically, the top three towns will be Wethersfield, Rocky Hill and Newington. A list of the top fifteen towns of patient origin, both in terms of projected and historical volumes, is provided above, within Section II d.

- 4) Identify any unmet need and how this project will fulfill that need.

Response: At present, there is high demand for outpatient MRI services in suburban towns, and therefore a need to offer MRI scanning in suburban locations as many days as possible each week. This proposal would make those services available six days per week in a location where they are currently available only two days per week, improving access for all potential patients in the region.

- 5) Are there any similar existing service providers in the proposed geographic area?

Response: Yes. Other providers of MRI services in the region around Hartford include Manchester Memorial Hospital, New Britain General Hospital, John Dempsey Hospital, and St. Francis Hospital and Medical Center, as well as some office locations of Jefferson X-Ray Group and Mandell and Blau, MDs, PC.

- 6) What is the effect of this project on the health care delivery system in the State of Connecticut?

Response: The effect of this project will be expanded availability of MRI services in Wethersfield, using a fixed, indoor magnet in place of a mobile one. This change will improve the convenience and comfort for those patients who choose to obtain those services in a suburban setting, and is likely to reduce the waiting time for an MRI appointment.

- 7) Who will be responsible for providing the service?

Response: Hartford Hospital and Jefferson X-Ray Group will be providing the service jointly.

- 8) Who are the payers of this service?

Response: There will be no change in payers of service as a result of this proposal. Both Hartford Hospital's and Jefferson X-Ray Group's current payers include Medicare, Medicaid, Anthem Blue Cross, Aetna, and Connecticare.